



24 October 2002

Moldflow Corporation
430 Boston Post Road
Wayland
MA 01778-1824
USA

For the attention of Lori M Henderson – General Counsel

Dear Sirs

**US Patent No. 09/844,466
and International Application PCT/US01/13427**

Thank you for your letter dated 25 September 2002, bringing these patent applications to our attention. We note that the PCT application has a priority date of 28 April 2000 and we assume that this date also applies to the US patent application. From our understanding of patent law, we believe that any disclosure by a party other than the applicant prior to the priority date counts against the novelty of the pending patent application. Therefore, should we be aware of any prior art that predates 28 April 2000, then your application would be potentially invalid.

Further, should the disclosure predating your priority date be that of our own product, then it would not be possible for a later filed patent application to prevent use of that idea. For example, if the patent did cover that use, the patent would be invalid, since it was anticipated by our disclosure and if our disclosure does not anticipate the patent, it is not covered by the patent and we are not infringing the patent. We believe that this situation is referred to as a "Gillette defence" under UK patent law.

We can trace development of our idea back to the middle of 1999 and we have press releases dating from March 2000. These press releases were published in several places including the following URLs:

<http://www.upfrontezine.com/2000/Upf-198.htm>
<<http://www.upfrontezine.com/2000/Upf-198.htm>> and
<http://www.upfrontezine.com/2000/Upf-197.htm>
<<http://www.upfrontezine.com/2000/Upf-197.htm>>

We enclose paper versions of these press releases for your information. Indeed, as far as we understand US patent procedure, we believe that you

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have a duty to submit any relevant prior art to the US Patent Office and we trust that you will be able to forward these documents as you see fit.

Further, from our records we can determine that an external user used the system on 19 April 2000, i.e. before your priority date. Therefore, it would seem as though your patents are not relevant to Delcam's activities. Either they do not cover our activities and are therefore not relevant, or they do cover our activities and are therefore invalid. We trust that this will be an end to this matter, but please do not hesitate to contact us again should you require further clarification.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'E B L' followed by a stylized flourish.

E B Lambourne
Technical Director
Delcam plc